

# Of Governments and Mining . . . . .

## Federal panel blocks development of four copper mines in SE Utah

SALT LAKE CITY (AP)—A federal panel has blocked development of four open-pit copper mines in southeastern Utah that were linked in US Bureau of Land Management negotiations over a New Mexico copper mining site.

Federal officials had approved the mining operations March 26, but that decision was appealed by a Moab group, the Protect Our Resources Coalition, which contended the project provided too little protection for ground water at the site 18 miles southeast of LaSal in the Lisbon Valley.

The coalition also alleged a number of problems with the environmental-impact statement done on the project. Its attorney, Jay Tutchton, also contended there was a secret deal between mine sponsor, Summo USA Corp., and the BLM.

The Interior Board of Land Appeals which serves as an administrative court within the Interior Department, ruled Monday the residents raised enough concerns to justify a stay, preventing Denver-based Summo from

beginning work on the mine until all of the issues are heard. Work on roads and other related facilities can proceed, however.

IBLA has a huge backlog of cases, and decisions in cases such as this often take years.

"We're disappointed," said BLM Moab District manager Kate Kitchell. "We made a solid decision that ensures environmental protection while allowing Summo to move forward with mining."

Gregory Hahn, president and chief executive officer of Summo, said the delay could endanger efforts to complete financing for the mine.

Tutchton said the secret deal is mentioned in documents obtained from the government through the Freedom of Information Act. They show Summo had two mine proposals pending last year — one in Lisbon Valley and the other near Taos, N.M., he said. The project, near the Taos and Picuris pueblos, was causing controversy and was opposed by BLM

officials in the State of New Mexico.

Documents show Summo, on Dec. 17, 1996, offered to abandon the New Mexico project in return for ownership of all federal land at the proposed Lisbon Valley Mine. A May 8, 1997, BLM memo acknowledged this negotiation was under way.

The attorney argues this negotiation, which did not become public until after the mine was approved, tainted the process by encouraging BLM to approve the Lisbon Valley project regardless of environmental consequences.

"Lisbon Valley on its own didn't get a fair shake because they (BLM officials) wanted it to go through," he said.

Ms. Kitchell denied there was a deal between Summo and BLM.

She said BLM officials in New Mexico discussed the idea with Summo and proposed it to Utah BLM leaders, but, "Our response was we have no interest and no intent to discuss this any further. There is not a secret deal." □

## What is ...

### Hardrock Bonding?

by Steven J. Radvak

ACT Environmental Technologies, Tucson

Multiple choice — Hardrock Bonding is:

- a) a new, all-natural glue
  - b) a method to get more in tune with nature
  - c) a reunion for hard-rock musicians
  - d) all of the above
  - e) none of the above.
- The answer is 'e'.

Hardrock bonding is a new requirement by the Bureau of Land Management for the bonding of reclamation costs for essentially all disturbances on BLM-administered land after March 31, 1997. The only activity not requiring bonding is 'casual' use, or negligible disturbances that do not include mechanized equipment or explosives.

A disturbance requiring a 'notice' (less than five acres) or a 'plan' (five acres or more) being submitted to the BLM after March 31, 1997, will require the bonding of all reclamation costs. A project that was active as of March 31, 1997, under an existing 'notice' will

not require bonding. Existing projects proceeding under a 'plan' with the BLM must be bonded by June 30, 1997, and these operators should contact the BLM immediately.

Prior to March 31, 1997, an operator submitted a 'notice' to the BLM which included the location of the proposed disturbance, proposed activities, amount of disturbance and proposed reclamation. The BLM had 15 days to respond or the 'notice' was immediately approved.

The new system requires the 'notice' to be filed along with two certifications. One certification is required by the owner estimating the cost of reclamation and stating the financial mechanism that exists to cover the cost. The second certification is required by a professional engineer, registered in the state of the proposed work, stating that the reclamation amount estimated is sufficient to cover all possible reclamation costs. The bond must then be approved by the BLM — although there is not time frame given on approval. If the bond is denied, the operator has 30 days to appeal.

Bonding amounts are a minimum of \$1,000 per acre for a 'plan.' Bonds can be in the form of sureties, cash, irrevocable letters of credit, certificates of deposit, or securities rated

AAA or AA. If the actual reclamation costs exceed the estimated amount, then the operator is responsible for the extra cash. Bonds can be released in stages as the reclamation is completed, but the bond amount can not go below 40% of the original amount until all the reclamation is complete. (For detailed requirements, request a copy of 43 CFR 3809 from the nearest BLM office.)

Operators with a record of noncompliance with the BLM will be required to submit a Plan of Operation for each project — they will not be able to use the 'notice.' The operator must then post financial guarantees directly with the BLM within 90 days or all approved 'plans' will be revoked. This essentially is a federal 'blacklist' of all bad boys and girls, and will be distributed to BLM offices nationwide.

These new regulations address some major problems — most notably the issue of how to deal with a noncompliant operator. They are also trying to alleviate the BLM from assuming responsibility for reclaiming abandoned sites, which is a cost to the taxpayers.

One issue to be resolved is the timing for the approval of the bond mechanism. The BLM is preparing an Environmental Impact